

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

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| <b>In re:</b><br><br><b>W.R. GRACE &amp; CO., <i>et al.</i>,</b><br><br><b>Debtors.</b> | <b>§<br/>§<br/>§<br/>§<br/>§<br/>§</b> | <b>Chapter 11</b><br><br><b>Jointly Administered</b><br><b>Case No. 01-01139 (KJC)</b> |
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**FEE AUDITOR'S FINAL REPORT REGARDING THE FINAL FEE  
APPLICATION OF THE SCOTT LAW GROUP, P.S., FOR  
COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR THE  
PERIOD FROM DECEMBER 15, 2004 THROUGH FEBRUARY 3, 2014**

This is the final report of Warren H. Smith & Associates, P.C., acting in its capacity as fee auditor in the above-captioned bankruptcy proceedings, regarding the Final Fee Application of The Scott Law Group, P.S., for Compensation and Reimbursement of Expenses for the Period from December 15, 2004, through February 3, 2014 (the "Application").

**BACKGROUND**

1. Darrell W. Scott, formerly with Lukins & Annis, P.S. ("Lukins & Annis"), and currently with The Scott Law Group, P.S. ("The Scott Law Group"), was retained as special counsel for the Zonolite Attic Insulation ("ZAI") Claimants. In the Application, The Scott Law Group seeks

final approval of fees totaling \$178,155.00<sup>1</sup> and expenses totaling \$12,587.60<sup>2</sup> for its services from December 15, 2004 through February 3, 2014 (the “Final Application Period”).

2. In conducting this audit and reaching the conclusions and recommendations contained herein, we reviewed in detail the Application in its entirety, including each of the time and expense entries included in the exhibits to the Application, for compliance with 11 U.S.C. § 330, Local Rule 2016-2 of the Local Rules of the United States Bankruptcy Court for the District of Delaware, Amended Effective February 1, 2014, and the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330, Issued January 30, 1996, (the “Guidelines”), as well as for consistency with precedent established in the United States Bankruptcy Court for the District of Delaware, the United States District Court for the District of Delaware, and the Third Circuit Court of Appeals. We had no issues with, or objections to, the Application, and thus we did not send an initial report to The Scott Law Group.

## **DISCUSSION**

### **Prior Interim Applications**

3. We note that we previously filed the following final reports for The Scott Law Group’s prior interim applications, which final reports we incorporate by reference herein, and we

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<sup>1</sup>We note that the total of the fees requested in The Scott Law Group’s 14 prior fee applications is \$178,155.00. The Court ordered no reductions for the prior interim periods, which periods are discussed in more detail in paragraph 3, and thus The Scott Law Group has deducted no sums from this amount to arrive at the figure it seeks of \$178,155.00. We note that the Court has ruled on the First through Fifty-First Interim Periods, but no ruling has been made on the Fifty-Second Interim Period.

<sup>2</sup>We note that the total of the expenses requested in The Scott Law Group’s 14 prior fee applications is \$12,587.60. The Court ordered no reductions for the prior interim periods, which periods are discussed in more detail in paragraph 3, and thus The Scott Law Group has deducted no sums from this amount to arrive at the figure it seeks of \$12,587.60. We note that the Court has ruled on the First through Fifty-First Interim Periods, but no ruling has been made on the Fifty-Second Interim Period.

also note the following orders that ruled on The Scott Law Group's prior interim fee applications:

16<sup>th</sup> Period: Fee Auditor's Final Report Regarding Fee Application of The Scott Law Group P.S. for the Sixteenth Interim Period (Docket #9388), filed on or about September 12, 2005, in which we recommended approval of fees totaling \$777.50. This recommendation was adopted in the Order Approving Quarterly Fee Applications for the Sixteenth Period, dated September 27, 2005 (Docket #9513).

17<sup>th</sup> Period: Fee Auditor's Final Report Regarding Fee Application of The Scott Law Group P.S. for the Seventeenth Interim Period (Docket #11110), filed on or about November 18, 2005, in which we recommended approval of fees totaling \$4,629.00. This recommendation was adopted in the Order Approving Quarterly Fee Applications for the Seventeenth Interim Period, dated December 21, 2005 (Docket #11402).

18<sup>th</sup> Period: Fee Auditor's Final Report Regarding Fee Application of The Scott Law Group P.S. for the Eighteenth Interim Period (Docket #11934), filed on or about March 3, 2006, in which we recommended approval of fees totaling \$15,992.50 and expenses totaling \$1,729.71. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Eighteenth Period, dated March 27, 2006 (Docket #12121).

19<sup>th</sup> Period: Fee Auditor's Final Report Regarding Fee Application of The Scott Law Group P.S. for the Nineteenth Interim Period (Docket #12549), filed on or about May 30, 2006, in which we recommended approval of fees totaling

\$23,735.00 and expenses totaling \$1,365.27. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Nineteenth Period, dated June 16, 2006 (Docket #12660).

20<sup>th</sup> Period: Fee Auditor's Final Report Regarding Fee Application of The Scott Law Group P.S. for the Twentieth Interim Period (Docket #13179), filed on or about September 8, 2006, in which we recommended approval of fees totaling \$9,239.00. This recommendation was adopted in the Order Approving Quarterly Fee Applications for the Twentieth Period, dated September 26, 2006 (Docket #13298).

21<sup>st</sup> Period: Fee Auditor's Final Report Regarding Fee Application of The Scott Law Group P.S. for the Twenty-First Interim Period (Docket #13971), filed on or about December 8, 2006, in which we recommended approval of fees totaling \$17,131.50. This recommendation was adopted in the Order Approving Quarterly Fee Applications for the Twenty-First Period, dated December 19, 2006 (Docket #14069).

22<sup>nd</sup> Period: Fee Auditor's Final Report Regarding Fee Application of The Scott Law Group P.S. for the Twenty-Second Interim Period (Docket #14768), filed on or about March 6, 2007, in which we recommended approval of fees totaling \$18,939.00. This recommendation was adopted in the Order Approving Quarterly Fee Applications for the Twenty-Second Period, dated May 3, 2007 (Docket #15494).

23<sup>rd</sup> Period: Fee Auditor's Final Report Regarding Fee Application of The Scott Law

Group P.S. for the Twenty-Third Interim Period (Docket #15978), filed on or about June 6, 2007, in which we recommended approval of fees totaling \$11,576.00 and expenses totaling \$20.00. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Twenty-Third Period, dated June 20, 2007 (Docket #16105).

24<sup>th</sup> Period: Fee Auditor's Final Report Regarding Fee Application of The Scott Law Group P.S. for the Twenty-Fourth Interim Period (Docket #16705), filed on or about August 30, 2007, in which we recommended approval of fees totaling \$41,687.00 and expenses totaling \$1,978.67. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Twenty-Fourth Period, dated September 25, 2007 (Docket #16916).

25<sup>th</sup> Period: Fee Auditor's Final Report Regarding Fee Application of The Scott Law Group P.S. for the Twenty-Fifth Interim Period (Docket #17540), filed on or about December 4, 2007, in which we recommended approval of fees totaling \$16,460.00 and expenses totaling \$3,553.76. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Twenty-Fifth Period, dated December 13, 2007 (Docket #17629).

26<sup>th</sup> Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Twenty-Sixth Interim Period (Docket #18176), filed on or about February 29, 2008, in which we recommended approval of fees totaling \$1,091.00. This recommendation was adopted in the

Order Approving Quarterly Fee Applications for the Twenty-Sixth Period,  
dated March 12, 2008 (Docket #18270).

27<sup>th</sup> Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications  
with No Fee or Expense Issues for the Twenty-Seventh Interim Period  
(Docket #18887), filed on or about June 9, 2008, in which we recommended  
approval of fees totaling \$805.00. This recommendation was adopted in the  
Order Approving Quarterly Fee Applications for the Twenty-Seventh Period,  
dated June 23, 2008 (Docket #18989).

28<sup>th</sup> Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications  
with No Fee or Expense Issues for the Twenty-Eighth Interim Period (Docket  
#19535), filed on or about September 15, 2008, in which we recommended  
approval of fees totaling \$8,860.00 and expenses totaling \$1,450.55. These  
recommendations were adopted in the Order Approving Quarterly Fee  
Applications for the Twenty-Eighth Period, dated October 1, 2008 (Docket  
#19663).

29<sup>th</sup> Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications  
with No Fee or Expense Issues for the Twenty-Ninth Interim Period (Docket  
#20150), filed on or about November 26, 2008, in which we recommended  
approval of fees totaling \$7,232.50 and expenses totaling \$2,489.64. These  
recommendations were adopted in the Order Approving Quarterly Fee  
Applications for the Twenty-Ninth Period, dated December 17, 2008 (Docket  
#20283).

4. We have reviewed the final reports and orders allowing fees and expenses for the prior interim periods, and we do not believe there is any reason to change any of the amounts awarded for the prior interim periods.

### **CONCLUSION**

5. Thus, we recommend final approval of \$178,155.00<sup>3</sup> in fees and \$12,587.60<sup>4</sup> in expenses for The Scott Law Group's services for the Final Application Period.

Respectfully submitted,

**WARREN H. SMITH & ASSOCIATES, P.C.**



By: \_\_\_\_\_  
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**FEE AUDITOR**

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<sup>3</sup>We note that the total of the fees requested in The Scott Law Group's 14 prior fee applications is \$178,155.00. The Court ordered no reductions for the prior interim periods, which periods are discussed in more detail in paragraph 3, and thus The Scott Law Group has deducted no sums from this amount to arrive at the figure it seeks of \$178,155.00. We note that the Court has ruled on the First through Fifty-First Interim Periods, but no ruling has been made on the Fifty-Second Interim Period.

<sup>4</sup>We note that the total of the expenses requested in The Scott Law Group's 14 prior fee applications is \$12,587.60. The Court ordered no reductions for the prior interim periods, which periods are discussed in more detail in paragraph 3, and thus The Scott Law Group has deducted no sums from this amount to arrive at the figure it seeks of \$12,587.60. We note that the Court has ruled on the First through Fifty-First Interim Periods, but no ruling has been made on the Fifty-Second Interim Period.

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing document has been served by First Class United States mail to the attached service list on this 23rd day of July, 2014.

A handwritten signature in blue ink, appearing to read "W. H. Smith".

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Warren H. Smith



**SERVICE LIST**

**Notice Parties**

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